

Infrastructure

For the first time in history, a worldwide “middle class” is taking shape. And American exporters are poised to take advantage of this development. According to the Brookings Institution, there are currently two billion people across the globe whose socioeconomic status can be classified as middle class. By 2030, that number is expected to more than double to 4.9 billion.

The implications of this social and economic change are staggering. To accommodate larger and more prosperous populations, roads and bridges must be built, power plants constructed, telecommunications satellites launched, and facilities put in operation to provide clean water and other needs. As world living standards continue to rise, vast opportunities are created for U.S. companies and their employees to provide the goods and services to meet the growing global demand for infrastructure.

Consistent with the World Bank and OECD, Ex-Im Bank defines infrastructure to include the large physical networks necessary for the functioning of commerce, such as highways, railroads, power generation plants, pipelines, satellites and radio transmission systems. Infrastructure also includes the goods and services essential to maintaining a country’s health, cultural and social standards, including educational and healthcare equipment and services. Also included in the Bank’s definition of infrastructure are transportation components, such as aircraft and locomotives, and equipment and services related to mining industries.

In each of these categories, Ex-Im Bank assists U.S. exporters in meeting the world’s growing need for infrastructure. Through this support, the Bank is also fostering good-paying manufacturing and technology-based services jobs in the United States.

In FY 2012, Ex-Im Bank

- Authorized \$21.5 billion to support U.S. exports in infrastructure projects, including large transportation equipment. This financing represented 60 percent of total authorizations for FY 2012 and is roughly equivalent to last year’s figure.
- Approved a historic high of \$12.6 billion for long-term structured and project-finance transactions – a 46 percent increase over the previous record of \$8.6 billion set in FY 2011. The FY 2012 financing is supporting American exports for a range of infrastructure projects, including oil and gas development, power generation, mining projects, liquefied natural-gas production and telecommunications.
- Authorized a record-breaking \$1.4 billion to finance exports of U.S.-manufactured telecommunications satellites including the Bank’s largest satellite authorization in history – an increase of nearly 8 percent over the previous record of \$1.3 billion in FY 2011.
- Notable FY 2012 satellite transactions include supporting the export of three satellites and related equipment from Boeing Space and Intelligence Systems to the Mexican government for the MEXSAT regional mobile satellite system. The Bank also provided its first financings of satellite exports from Lockheed Martin Space Systems Co. to NewSat Ltd. in Australia and the government of Vietnam, respectively.
- Approved \$12.2 billion in financing to support the export of U.S.-made aviation-related goods and services, including approximately \$600 million in support of U.S.-manufactured business aircraft and helicopters. The Bank approved \$11.6 billion in financing to support the export of 154 U.S.-manufactured commercial aircraft to a total of 22 airlines and seven aircraft-leasing companies in 21 different countries, including first-time support for aircraft exports to Mongolia.
- Supported U.S. locomotive exports to Mexico and Canada through authorizations totaling approximately \$120 million.
- Provided more than \$4.5 billion authorizations to support mining projects, including \$1.2 billion for oil-and-gas exploration and development projects of Mexico’s national oil company, Pemex.

U.S. Satellite Export Meeting Telecommunications Needs in Southeast Asia

Exporter/Locations:	Lockheed Martin Space Systems Company, Denver, Colorado, and Sunnyvale, California
Destination Market:	Vietnam
Ex-Im Bank Product:	Direct Loan
Jobs Supported:	525

Like many populations throughout the world, the people of Vietnam have a growing need for telecommunications services, television content and greater access to information. On May 15, 2012, the VINASAT-2 satellite was launched into orbit. Equipped with a payload of 24 active transponders, the new satellite is providing telecommunications coverage to Vietnam, Cambodia, Laos and Thailand.

This access to 21st-century telecommunications was made possible by an Ex-Im Bank direct loan of \$118 million to the government of Vietnam for the export of the satellite from Lockheed Martin Space Systems Company and additional goods and services. The loan was Ex-Im Bank's first satellite transaction with the Vietnamese government. According to Lockheed Martin, it financed \$215 million in export sales and supported approximately 525 jobs in the United States.

"By providing financing for Vietnam Post and Telecommunications Group, this Ex-Im Bank loan supports U.S.-manufactured satellites and U.S. jobs," said Linda Reiners, president of Lockheed Martin Space Systems Commercial Ventures.

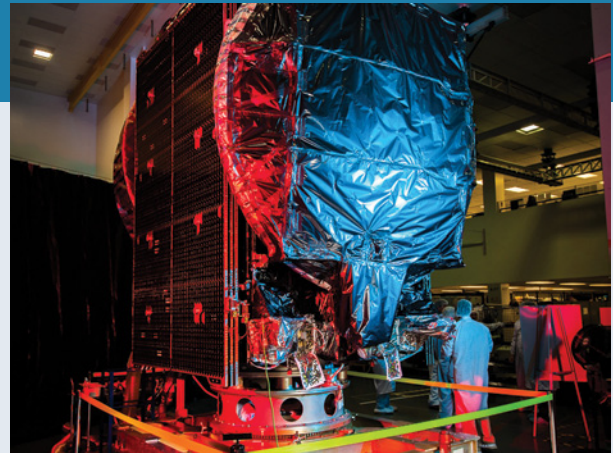


Photo courtesy of Lockheed Martin Space Systems Company.

U.S. Exports Making Drinking Water Safe in Sri Lanka

Exporters/Locations:	Tetra Tech Inc., Pasadena, California; Additional Exporters in Colorado, New Jersey and Pennsylvania
Destination Market:	Sri Lanka
Ex-Im Bank Product:	Direct Loan
Jobs Supported:	400

In Sri Lanka, only one of every three people can access safe, potable water through pipe systems. For the remaining population, it is estimated that roughly 80 percent of the country's water supply is contaminated. Much of this is the result of the tsunami in 2004, during which tidal waves inundated the island nation's freshwater aquifer with seawater.

Ex-Im Bank has authorized a direct loan of more than \$64 million that will enable Tetra Tech Inc. of Pasadena, Calif., to construct a new water supply system in Sri Lanka. The construction will include new and rehabilitated treatment plants, storage tanks, pumping stations, a new dam, and more than 150 kilometers of transmission and distribution pipelines. When this system is in place, the government of Sri Lanka will be able to meet United Nations standards for providing safe drinking water to at least 85 percent of the population.

This transaction will support approximately 400 American jobs, with most centered in Denver and Longmont, Colo.; Morris Plains, N.J.; Langhorne, Pa.; and Fairfax, Va.

"This is the first full-scale, design-build water-supply project that Ex-Im Bank has financed for an international client," said Dan Batrack, Tetra Tech chairman and CEO. "This transaction supports high-end technical jobs in the United States and allows us to take our best water services to where they are needed the most."



Photo courtesy of Tetra Tech Inc.